

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6691

BILL NUMBER: SB 263

NOTE PREPARED: Mar 19, 2013

BILL AMENDED: Mar 12, 2013

SUBJECT: Faith-based and Community Initiatives Foundation.

FIRST AUTHOR: Sen. Merritt

FIRST SPONSOR: Rep. Frizzell

BILL STATUS: As Passed House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill allows the Office of Faith-based and Community Initiatives to create a nonprofit subsidiary corporation.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Office of Faith-based and Community Initiatives:* If a subsidiary corporation is established, it will be governed by a board of directors appointed by the office, and employees of the office will provide administrative support.

State Board of Accounts (SBOA): The SBOA must annually audit the subsidiary corporation if it is established. The cost to the SBOA to provide staff to examine the accounting records of the subsidiary corporation is indeterminable and would depend on the number of days the SBOA would need to conduct the examination. However, the SBOA would be eligible for reimbursement of expenses.

Background Information: The Office of Faith-based and Community Initiatives was first established by Executive Order 05-16. It was reestablished by Executive Order 13-16. The programs provided by the Indiana Commission on Community Service and FaithWorks Indiana were transferred to the office when it was created. The staff and resources of these entities were also transferred. The Office was appropriated \$246,969 from the state General Fund and \$7,399 from dedicated funds for FY 2013. The Office received about \$5 M in federal funds for FY 2013.

Explanation of State Revenues: The Office of Faith-based and Community Initiatives may establish a nonprofit subsidiary corporation that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code to solicit and accept private funding, gifts, donations, bequests, devises, and contributions. The amount of money that could be donated to the corporation is indeterminable.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of Faith-based and Community Initiatives; State Board of Accounts.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Jessica Harmon, 317-232-9854.